

September 30, 2022

Changing Corporate Culture through Dialogue

The special investigation committee, composed of outside experts, as well as the Ministry of Land, Infrastructure, Transport and Tourism have pointed out certain issues related to Hino's organizational culture, such as sectionalism and workplace harassment, and also highlighted the fact that compliance was not given appropriate priority. Hino takes seriously that it needs to fundamentally change its corporate culture.

One of the main factors behind these issues is the company's internal focus on top-down communication. In order for the entire company to address the issues that have occurred, Hino believes that it is necessary to foster a company-wide corporate culture where people can have respectful dialogue as equals.

To that end, we are implementing the following initiatives to encourage greater dialogue as a means to fundamentally change our corporate culture.

1. Efforts made by the Corporate Culture Reformation Team

Dialogue to promote corporate culture reform began in March 2022 with the content expanding and members involved in the activities increasing. Since September 2022 further dialogue activities have been promoted by the Corporate Culture Reformation Team, which is composed of mid-level employees selected from each division and plant.

<Examples of the efforts of the Corporate Culture Reformation Team>

[Creating an environment that enables genuine dialogue]

- Establishing cross-organizational dialogue meetings Started meetings of mid-level employees with the intention of initiating dialogue (July 2022). To date, twelve meetings have been held with approximately 270 employees participating. Going forward, Hino plans to hold these meetings on an ongoing basis while expanding the job levels that participate.
- Supporting dialogue at an organizational level
 - Corporate Culture Reformation Team members have been dispatched to act as facilitators in meetings held within each department (July 2022)
- Organizing facilitator training in order to help participants feel comfortable engaging in dialogue

Corporate Culture Reformation Team members received facilitator training from an external consultant (June 2022)

[Creation of a framework for resolving cross-organizational issues]

Going forward, the Corporate Culture Reformation Team will identify issues that need to be addressed across the organization and provide management with information based on employee feedback from various dialogue meetings to help develop solutions.

Image of a cross-organizational dialogue meeting



We believe that it is crucial to deepen our understanding of our past misconduct, which has had a significant impact on our customers and stakeholders. We also believe that it is essential that each employee understands the issues to ensure that it does not occur again. As part of these efforts, meetings have been held from September 2022 at each plant and business area.

Until now, employees have been made aware of our past misconduct through the distribution of management video messages and materials. In these meetings, discussion leaders explain the issues to the employees so that they can learn interactively. In addition, in order to promote understanding and raise awareness of the issues, the meetings include a question and answer session. Going forward, we will continue to hold these meetings on a regular basis to establish opportunities for each and every employee to individually reflect on the lessons learned from our past misconduct.

> <Image of a meeting to understand Hino's historical misconduct > Hamura Plant, September 28





